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Funds for Nicaraguan contras cut off—for now

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WASHINGTON, D.C.—The Reagan administration was handed a major foreign policy defeat last week when the Senate rejected a bid for more funds for the Nicaraguan contras. The Senate action will result at least in a temporary scaling down of the CIA's not-so-covert effort to topple the Sandinista government.

The lopsided 88-1 vote in the Senate June 25 against the \$21 million 1984 supplemental aid request for the Nicaraguan rightists broke a month-long deadlock with the House. In the last year, the House twice voted to stop bank-rolling the counterrevolutionaries, but the upper house, which up to now had backed funding for the contras, got its way. This time the Senate bowed to overwhelming and still rising House sentiment against the CIA covert operation.

"This is a historic day, the day the tide was turned against the secret war in Nicaragua," Sen. Edward Kennedy (D-Mass.) declared. "In the effort to end this war, this administration has finally blinked." Senate Republicans conceded that the vote makes more aid for the contras unlikely for the rest of this election year.

Only Sen. Paula Hawkins (R-Fla.) voted to keep the aid flowing. A steady stream of revelations here that the administration is ignoring congressional restrictions on U.S. involvement in Central America has eroded most support in the Senate.

LINK WITH JOBS BACKFIRES

Senate Republicans deserted President Reagan in droves, however, when the White House insisted in tying the contra aid request to a \$1.1 billion domestic spending bill for popular social programs, in the belief this would assure passage for the CIA measure. But election-year wary Republican lawmakers took a political thrashing from the Democrats. Emergency funds for 100,000 summer jobs for teenagers, school lunches and other nutrition programs were held up by the deadlock over one of the chief components of U.S. policy in Central America.

To clear the way for the summer job program, the Democrats in mid-June turned up the heat on Reagan. "To me it's inconceivable that a man would punish the poor of America," House Speaker Tip O'Neill (D-Mass.) declared. "The Black youth are 44% un-

employed. To hold them hostage so that he [Reagan] could have hired gunmen down in Nicaragua is absolutely a disgrace to the administration."

Senate Majority Leader Howard Baker (R-Tenn.) was pressured by the White House not to cut loose the contras' funds from the social programs. But when it became clear the strategy had backfired, senior Reagan aides won the President's approval June 25 to separate the proposals. By this time, even Sen. John East (R-N.C.), the ultra-rightist who led the administration's fight in the Senate, could read the writing on the wall: "I've been here long enough to know what all these code words mean. It is over. It means there will be no more aid."

"We think major U.S. funding for the contras is at an end now," Reggie Norton of the Washington Office on Latin America told the Guardian. "Obviously the administration is going to try to get aid to them somehow—funneled through Israel or Chile. But this will come only at great political cost."

Administration officials said all but \$100,000 of the \$24 million sent this year to the Nicaraguan rightists has been spent. With no immediate prospect for more aid, they said the CIA's covert war would have to be curtailed considerably. "The CIA was trying to find a way for the rebels to maintain their opposition at a reduced level so that an infusion of money later this year or next could quickly be translated into intensified military activity inside Nicaragua," the New York Times reported.

Although the administration and its backers tried to put on the best face possible, the Senate vote was a sharp political rebuff, since the CIA operation has been an integral part of U.S. strategy in the region.

IMPACT OF DECISION

Before the Senate vote Cord Meyer, a former top CIA official turned columnist, worried about the impact of a Congressional decision to terminate aid to the contras. Meyer said it would amount to a victory for the Sandinistas, would have "a disastrous effect" on the morale of the government in El Salvador, and would be "incomprehensible" to allies in the region.

Disclosures by former CIA analyst David MacMichael that the U.S. is exaggerating Nicaraguan involvement in providing arms to El Salvador's leftist Farabundo Marti National Liberation Front also damaged administration credibility. When administration aides recently

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brought out their best evidence to convince skeptical lawmakers on the House Intelligence Committee, "snickers rippled through the committee room," the Wall Street Journal observed. The evidence included color slides of dugout canoes and pack mules allegedly used in large-scale shipping of military equipment to El Salvador.

A General Accounting Office (GAO) classified report released by Rep. Bill Alexander (D-Ark.) put the administration further on the defensive. The GAO study found the Pentagon had over the past two years improperly used \$1.9 million in funds for its huge military exercises and construction projects in Honduras. The study made public by Alexander showed that during the last two years four bases were built, a network of unpaved roads and fuel storage depots constructed and an airfield extended with money earmarked for operations and maintenance. Alexander charged, "The President has bypassed Congress in order to militarize Honduras as a part of his Central America policy."

In other Capitol Hill developments, a Senate appropriations subcommittee approved June 21 a supplemental request by the administration for \$117 million in military aid for El Salvador for 1984 and another \$132 million for 1985. Congress had already voted this spring a \$62 million 1984 supplemental request for El Salvador.

Eden Pastora paid a surprise visit to Washington June 28, after being expelled from ARDE, the Costa Rican-based contra outfit. Pastora is seeking congressional backing for a new role, implying through aides he's willing to give up armed struggle to take up political resistance to the Sandinistas. He met with House Majority Leader Jim Wright (D-Tex.) and members of the House Intelligence Committee to discuss U.S. support for him in his effort to run for political office in the Nicaraguan elections scheduled for this fall.